

DEPOSIT ACCOUNT CONTROL AGREEMENT

PARTIES

U.S. Bank National Association (the “Trustee”)
Redevelopment Agency of the City of Sparks, Nevada (the “Agency”)
Umpqua Bank (the “Bank” and collectively, together with the Trustee, the “Secured Party”)

Pursuant to the Indenture, by and between the Agency and the Secured Party, dated as of July __, 2014, the Debt Service Reserve Fund Account established thereunder will be held by Umpqua Bank, (the “Bank”) for the full term of the Bonds, as described in the Indenture. Capitalized terms used herein but not defined herein shall be as defined in the Loan Agreements.

AGREEMENT

1. The Account

The Bank, as directed by the Trustee, maintains deposit account number _____ (the “Account”) for the Benefit of the Trustee and the Bank; and neither the Bank, nor the Trustee knows of any claim to or interest in the Account except for claims and interests of the parties referred to in this Agreement. This Agreement evidences the Secured Party’s control over the Account. The parties acknowledge that the Account constitutes a “Deposit Account” within the meaning of Section 9102 of the Uniform Commercial Code of the State of California (the “UCC”); that Bank, on behalf of the Trustee, is a “Bank” within the meaning of Section 9102 of the UCC; that each of the Secured Parties is a “Secured Party” within the meaning of Section 9102 of the UCC, with respect to the Account; and that this Agreement constitutes an “Authenticated Record” within the meaning of Section 9104(a)(2) of the UCC. The provisions of this Agreement constitute “Control” over the Account within the meaning of Section 9104 of the UCC. The Agency recognizes that it is a Borrower for the purposes of the UCC and agrees that it has not assigned or granted a security interest in the Account or any check deposited into the Account, except to Bank and Trustee.

2. Control of Account by Bank; Agency’s Rights in Account

- a. The Bank, the Agency, and the Trustee agree that the Bank will comply with instructions originated by the Trustee under the Indenture for the disposition of funds in the Account without further consent from the Agency and without regard to any inconsistent or conflicting instructions by the Agency. Unless and until the Agency delivers to the Bank instructions directing the Bank not to act on the Agency’s instructions, the Bank shall continue to comply with instructions originated by Agency. Furthermore, at no time during the term of this Agreement shall the Bank be required to take direction from more than one Secured Party.
- b. Subject to Section 2(a) and no event of default under the Indenture, or an event, with notice and the passage of time, would give rise to an event of default thereunder, amounts in the Account may be used and withdrawn by the Trustee at any time on 5 Business Days written notice, except as hereinafter provided.

- c. Trustee shall notify the Bank and the Agency if the Agency is delinquent for more than one Business Day in any payment owing to the Secured Party, and, unless such payment is paid [within ten (10) days] after receipt of such notice by the Agency, the Bank shall upon the Trustee's request transfer the Account to the name and credit of the Trustee and thereafter the Bank shall recognize the Secured Party, acting in cooperation with the Trustee as parity secured creditors, as the Bank's customer with respect to the Account. The Agency hereby irrevocably authorizes the Bank to make such transfer. The Account shall remain in the name and to the credit of the Secured Parties until either if the Secured Parties notifies the other, in writing, that all payments in default or other events of default under the Loan Agreements have been satisfied or provision deemed by the Secured Party to be adequate to cure such default shall have been made, which notice shall include advice that the Account remains subject to this Agreement, whereupon the Account shall be returned to the name and credit of the Agency until such time, if ever, as the Secured Party again provides notice to the Bank to transfer the Account in accordance with the first sentence of this Section 2(c).
- d. During any period that the Account is held in the name and to the credit of a Secured Party, the Secured Party shall use and withdraw or cause to be used and withdrawn from time to time amounts in said Account, to make principal and interest payments required of the Agency under the Indenture, as such payments become due (whether by maturity, redemption, acceleration or otherwise), and, if such amounts shall not be sufficient to pay in full all such payments due on any date, then to the payment thereof, ratably, according to the amounts due, without any discrimination or preference.
- e. During any period that the Account is held in the name and to the credit of a Secured Party, the Agency expressly and irrevocably agrees that it shall not have any right or be entitled to use or withdraw any portion or all of the funds in the Account whatsoever unless (and then only to the extent that) the Secured Party so consents, agrees and directs.
- f. Except as otherwise required by law, Bank will not agree with any third party that Bank will comply with instructions originated by such third party.

3. Bank's Responsibility

(a) Bank shall have no duty to inquire or determine whether Agency's obligations to either of the Secured Parties are in default or whether Secured Parties are entitled, under any separate agreement between Secured Parties and Agency, to give any instructions relating to the Account. Bank shall have no liability to Secured Parties for complying with any order or instruction, whether oral or written, concerning the Account, unless such compliance would violate (i) the provisions of this Agreement, or (ii) written instructions or orders previously received from Secured Parties will be excused from acting if such failure or delay is due to circumstances beyond Bank's reasonable control including but not limited to legal constraint, emergency conditions, action or inaction of governmental, civil or military authority, fire, strike, lockout or

other labor dispute, war, riot, theft, flood, earthquake or other natural disaster, breakdown of public or private or common carrier communications or transmission facilities, equipment failure, or negligence or default of the Agency, the Secured Lender or the Trustees. In no event shall Bank have any liability for indirect, exemplary or consequential damages, including without limitation lost profits.

(b) Bank may rely on notices and communications it believes in good faith to be genuine and given by the appropriate party. Bank reserves the right to validate the authenticity and source of any instructions.

4. Termination; Survival

- a. The Trustee may not terminate this agreement until the Bonds are satisfied pursuant to the Indenture.
- b. If the Trustee notifies Bank that Trustee's security interest in the Account has terminated, this agreement will immediately terminate as to such Trustee.
- c. The Bank may terminate this agreement by providing thirty (30) days advance written notice to the Trustee and the Agency.
- d. This Agreement shall last for the full term of the Bonds. Upon the event that the Bank is no longer holder of the Bonds, this Agreement will immediately terminate as to such Bank.

5. Governing Law; Venue

This agreement shall be construed in accordance with and governed by the laws of the State of California (the "State") applicable to contracts made and performed in such State. This agreement shall be enforceable in the State, and any action arising out of this agreement shall be filed and maintained in the Sacramento County Superior Court, Sacramento, California, unless the Secured Lender waives this requirement.

6. Returned Items.

Bank shall not offset, charge, deduct or otherwise withdraw funds from the Account except as permitted herein, until the Bank has been advised in writing by the Secured Party that all of Agency's obligations that are secured by the account are paid in full; provided, however, that Agency and Secured Parties understand and agree that Bank will pay returned items by debiting the Account for the amount of any returned item immediately upon demand to the extent that there are not sufficient funds in the Account to cover such amount on the day of the debit and the Bank's customary fees associated therewith. To the extent not otherwise paid by the Agency, the Secured Parties agree to return any item return to the extent of nonpayment thereof by the Agency excluding fees and only to the extent of the amounts the Secured Party actually received within twenty (20) days after demand on Agency by Bank.

7. Notice

Any notice given to the Bank hereunder shall be accompanied by a copy to:

Umpqua Bank,
2998 Douglas Blvd., Suite 100
Roseville, CA 95661

Attention: Dmitry Semenov
Tel: (916) 677-1149

8. Costs; Indemnity

(a) Agency will be responsible for Bank's customary charges and for the repayment of any checks, drafts or other orders for the payment of funds deposited into the Account that are returned unpaid for any reason as set forth in section 6 hereof.

(b) Agency will indemnify Bank, its officers, directors, employees, and agents against claims, liabilities and expenses arising out of this Agreement (including all fees and costs incurred by Bank in complying with instructions or requests given by Secured Parties hereunder, and including reasonable attorneys' fees and disbursements and the reasonable estimate of the allocated costs and expenses of in-house legal counsel and staff), except to the extent the claims, liabilities or expenses are caused by Bank's negligence, bad faith or willful misconduct.

9. Counterparts

This agreement may be executed in counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

[SIGNATURE PAGES FOLLOWING]

The foregoing is hereby acknowledged and agreed to, effective as of the last of the dates set forth below.

Redevelopment Agency of the City of Sparks, Nevada
(AGENCY)

Address: _____

Facsimile: _____

Telephone: _____

By: _____

ATTEST: _____

Agency Secretary

Title: _____

APPROVED AS TO FORM:

Date: _____

Agency Attorney

(Line through unused spaces.)

Umpqua Bank
(SECURED PARTY)

Address: _____

Facsimile: _____

Telephone: _____

By: _____

ATTEST:

By: _____

U.S. Bank National Association
(TRUSTEE)

Address: _____

Facsimile: _____

Telephone: _____

By: _____

ATTEST:

By: _____